

Executive Compensation

Individual Life Insurance

Insurance products issued by: Minnesota Life Insurance Company Securian Life Insurance Company

BUSINESS PROFILE

Help business attract and retain key talent

Executive bonus strategy

Your sales opportunity

Business owners wishing to:

- Reward and retain their key people with a simple, tax-deductible strategy
- Provide key employees with an incentive that helps drive business profitability and growth

Solution: executive bonus arrangement

An executive bonus arrangement provides a bonus to reward and retain essential employees. The bonus is paid as a premium on a life insurance policy. The key employee¹ is the owner and names a beneficiary of the life insurance policy.

Two valuable benefits

- 1. In the event of the key employee's death, the family receives an income taxfree death benefit.
- 2. The cash value from the life insurance policy provides a source of retirement funds that the employee can access in an income-tax-advantaged manner. This policy may also be part of an estate planning strategy.

Target client

- Single or multiple business owners
- · Has a key employee
- Key employee provides expertise in client relationships, industry knowledge, sales or management

Key employees

Not considered key employees

Sales professionals

Business owners

Managers

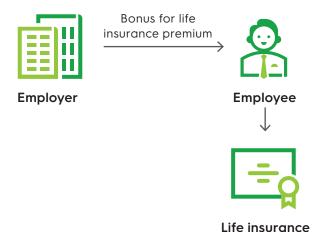
Rank-and-file employees

Executives

Other highly compensated employees

How it works

- Employer pays a tax-deductible bonus to the employee.
- Employee pays income taxes on the bonus amount. The employer may choose to pay the income taxes for the employee as an additional bonus.
- Employee takes out a personal life insurance policy and names a beneficiary.
- The bonus is used to pay the premium on the life insurance policy to Minnesota Life Insurance Company or Securian Life Insurance Company, a New York authorized insurer.
- Since the employee owns the policy, he or she may take money from the policy's cash value on a tax-advantaged basis.
- If the employee dies, the death benefits are payable to the beneficiary.



policy



Do you have business owner clients who could benefit from an executive bonus strategy to attract and retain key employees? We can help - call our Advanced Sales Team today:

1-888-413-7860, option 3

1. Key employees must be either highly compensated employees or management.

Policy loans and withdrawals may create an adverse tax result in the event of a lapse or policy surrender, and will reduce both the surrender value and death benefit. Withdrawals may be subject to taxation within the first fifteen years of the contract. Clients should consult their tax advisor when considering taking a policy loan or withdrawal.

Life insurance products contain charges, such as Cost of Insurance Charge, Cash Extra Charge, and Additional Agreements Charge (which we refer to as mortality charges), and Premium Charge, Monthly Policy Charge, Policy Issue Charge, Transaction Charge, Index Segment Charge, and Surrender Charge (which we refer to as expense charges). These charges may increase over time, and these policies may contain restrictions, such as surrender periods. Policyholders could lose money in these products.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

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Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

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